

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
Land Division  
Honolulu, Hawaii 96813

February 24, 2006

Board of Land and Natural Resources  
State of Hawaii  
Honolulu, Hawaii

PSF No.:06OD-045

Oahu

1. Authorization to Expend an Emergency Appropriation from the Legislature in Connection with the Settlement of the City's Condemnation Action Involving Waimea Valley, Waimea, Wailua, Oahu;
2. Authorization to Allow the Chair to Negotiate a Memorandum of Agreement concerning Waimea Valley, Waimea, Wailua, Oahu; and
3. Authorization to Allow the Chairperson to Negotiate Conservation and/or Public Access Easements.

APPLICANT AGENCY:

Department of Land and Natural Resources

LANDOWNER:

City and County of Honolulu, a municipal corporation of the State of Hawaii, pursuant to Court Order giving immediate possession to the County, pending resolution of the condemnation action.

LEGAL REFERENCE:

Article VII, Sec. 9 of the State Constitution, Chapter 198 and Sections 107-10 and 171-30, Hawaii Revised Statutes, as amended.

LOCATION:

Lands situated at Waimea, Wailua, Oahu identified by Tax Map Keys: (1) 5-9-05:22, 24, 25, 29& 76 and (1) 6-1-02:02 por., 03, 14, 15, 16 por., 17, 19, 20 & 21 as shown on the attached maps labeled Exhibit A & B.

AREA:

1,798.3 acres, more or less.

ZONING:

State Land Use District:	Conservation
City & County of Honolulu CZO:	P-1 Restrictive Preservation Country District and AG-1 Restrictive Agricultural

PURPOSE:

Assist in the settlement of the City and County of Honolulu's condemnation action for the preservation of Waimea Valley, Oahu.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

In accordance with the "Division of Land Management's Environmental Impact Statement Exemption List", approved by the Environmental Council and dated April 28, 1986, the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 1 that states *"Operations, repairs or maintenance of existing structures, facilities, equipment or topographical features, involving negligible or no expansion or change of use beyond that previously existing."*

REMARKS:

The Department of Land and Natural Resources (DLNR) is requesting the Board of Land and Natural Resources (BLNR) to approve the expenditure of an emergency appropriation (if passed by Legislature) to assist in the settlement of the City and County of Honolulu's condemnation lawsuit.

Waimea Valley is considered one of the most treasured ahupua`a on the island of Oahu. In addition to containing an abundance of native plants, stream animals and wildlife, Waimea Valley is also considered an archaeological landscape because of the high frequency and density of archaeological and cultural sites contained within.

The State recently participated in mediation that resulted in a settlement of the City and County of Honolulu's condemnation lawsuit. As part of this settlement Waimea Valley will be acquired for \$14,000,000. The scheduled closing for the proposed acquisition is March 15, 2006.

Pursuant to the City and County's condemnation settlement, funding for proposed acquisition is to be provided by a consortium of private nonprofit organizations and government agencies, and is an example of how private nonprofit organizations and government agencies can work together to promote and preserve the State's natural, historical and cultural resources. The respective shares of the consortium participants are:

U.S. Army	\$3,500,000
OHA	2,900,000
State of Hawaii/DLNR	1,600,000
City & County of Honolulu	5,100,000
National Audubon Society	1,000,000

The total funding of \$14,100,000 is to cover the \$14,000,000

acquisition of Waimea Valley and other settlement issues in the amount of \$100,000.

Presently, House Bill No. 2400 and Senate Bill No. 2363 are administration bills that requests an emergency appropriation of \$1,600,000 for fiscal year 2005-2006 to assist in the purchase and preservation of Waimea Valley, pursuant to the above described agreement. On February 8, 2006, The House Committee on Water, Land, & Ocean Resources voted to pass H.B. No. 2400 unamended, and referred the bill to the House Finance Committee.

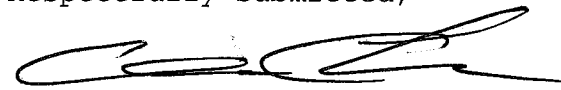
In addition to the emergency appropriation, staff is of the understanding that the settlement contemplates:

1. A conservation and/or public access easement(s) to be granted to DLNR gratis pursuant to Chapter 198, Hawaii Revised Statutes; and
2. The Chairperson negotiating a Memorandum of Agreement with appropriate parties, the terms and conditions will be brought back to the Board.

RECOMMENDATION: That the Board:

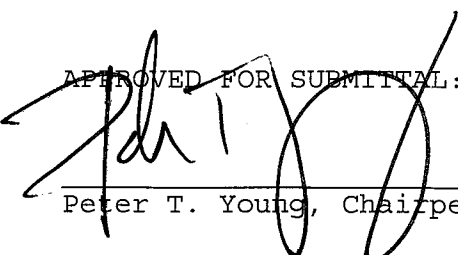
1. Authorize the expenditure of a \$1,600,000 emergency appropriation (upon passage into law) under the terms and conditions cited above which are by this reference incorporated herein and further subject to appropriate bills becoming law;
2. Authorize the Chairperson to negotiate a Memorandum of Agreement with appropriate parties, with the terms and conditions subject to the review and approval by the Board and the Department of the Attorney General;
3. Authorize the Chairperson to negotiate and approve the terms and conditions of a conservation and/or public access easements pursuant to Haw. Rev. Stat. chapter 198, subject to the review and approval by the Department of the Attorney General; and

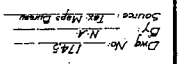
Respectfully Submitted,

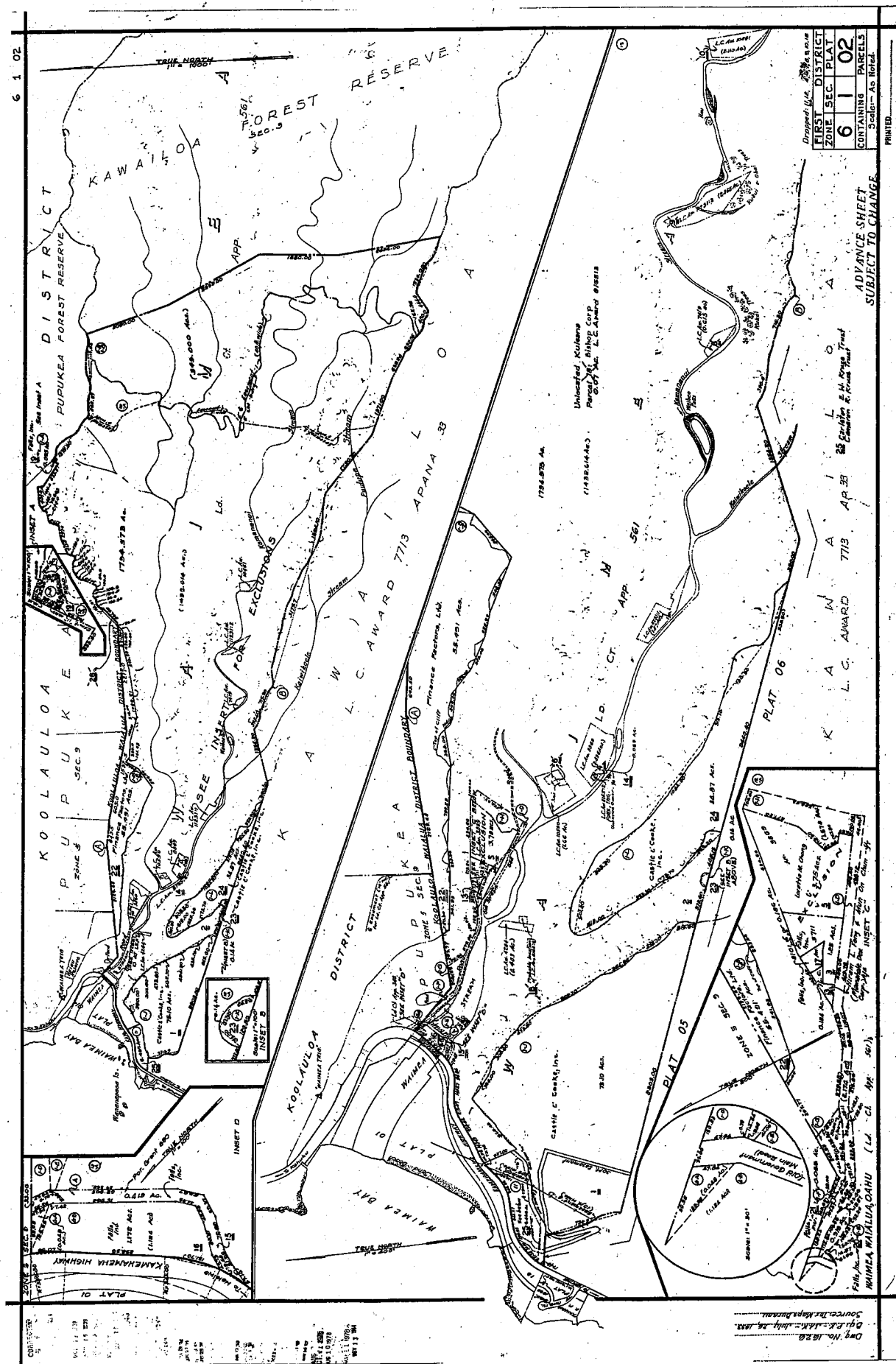


Gavin Chun  
Project Development Specialist

APPROVED FOR SUBMITTAL:

  
Peter T. Young, Chairperson





**EXHIBIT "B"**